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FARM PAPER LETTER

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THAT ROBUST LIFE DOWN ON THE FARM CAN BE HAZARDOUS

One of the rewards of farming, the story goes, is a robust, healthy life out in the sun. Trouble is, that's not always how things are. Farming is dangerous.

Statistics show it can hike your odds of going deaf or getting cancer or heart disease, and farmers stand a greater chance of being hurt on the job than workers in most occupations.

Although the risks are high, farmers, their families, and hired workers are less likely than other workers to be covered by health insurance, according to economist Helen Jensen, formerly with USDA's Economic Research Service.

Jensen notes that 90 percent of the American population is covered by some type of health insurance, either privately through group or individual policies or publicly through federal, state, or local programs. For farmers and farm managers, the rate of overall coverage is about 82 percent. For the entire farm population, it's 86 percent.

While the differences may not seem significant at first glance, Jensen says they indicate the difficulties farm people can have in obtaining adequate protection.

She explains that only the largest farms meet the criteria to participate in private group insurance, which generally offers the lowest rates and the widest coverage. In addition, many public insurance plans provided by individual states exempt agricultural workers.

Even farmers who buy individual health insurance coverage may find their policies cost more and cover less than group plans. Why?

"It relates to structure, both in farming and in the insurance industry," Jensen says.

"The average farm business is unincorporated with fewer than five employees and cannot qualify for group programs. Tax laws allow health insurance payments to be considered part of the cost of doing business only if the farm firm is incorporated," she says.

Reduced access to group insurance is the major difference in coverage for farm versus non-farm individuals, according to Jensen.

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PRICE PROPS SET ON WOOL, MOHAIR By law, wool and mohair growers will receive price supports through the end of 1985. This is provided in the extension of the National Wool Act of 1954. Using the formula set in the law, the support prices for 1984 marketings translate into \$1.65 per pound for wool and \$5.17 for mohair.

Deductions have been made from shorn wool and lamb payments to provide funds for advertising, promotion and related market development activities on wool and lambs. Deductions for this purpose are authorized by law and were approved by over 72 percent of the producers voting in a 1982 referendum. The activities are carried out by the American Sheep Producers Council, Inc. The deduction rates are 4.0 cents per pound on shorn wool and 20.0 cents per cwt. on lambs marketed. Total deductions were about \$5.2 million for 1983 marketings.

Deductions from mohair payments to provide funds for advertising and promotion programs on mohair and goats were approved by 78 percent of the producers voting in a 1982 referendum. The activities are carried out by the Mohair Council of America. The deduction rate is 4-1/2 cents per pound of mohair. Deductions amounted to \$520,000 for 1983 marketings.

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BLOCK CALLS CONFERENCE ON TILLAGE Secretary of Agriculture John R. Block has called a national conference on conservation tillage to be held Oct. 3-5 at the Opryland in Nashville, Tenn. Conservation tillage has become the "quiet revolution" of the 1980's, Block said in announcing the meeting. In 1982, over 100 million U.S. acres were under conservation tillage, compared to just 30 million acres a decade earlier. "This farming system can be effective in erosion reduction, conservation of soil moisture, and energy conservation, just to mention a few of its many major benefits," Block said. The theme of the national conference is: Conservation Tillage: Strategies for the Future.

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1984 CRANBERRY FORECAST UP The forecast of the 1984 cranberry crop is a record high 3.14 million barrels (142 thousand metric tons), up 4 percent from the previous record set in 1983 and 7 percent more than the 1982 crop. Based on early August conditions, all States except Washington expect increased production from 1983.

The Massachusetts crop is forecast at 1.48 million barrels, 1 percent above a year earlier and up 15 percent from 1982.

New Jersey expects a crop of 260 thousand barrels, up 12 percent from 1983 but 12 percent less than 1982.

Oregon expects a crop of 87.0 thousand barrels, 16 percent more than last year and 34 percent greater than 1982.

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The Washington crop is forecast at 110 thousand barrels, 12 percent less than last year but 24 percent more than 1982.

Production in Wisconsin is forecast at 1.20 million barrels, up 6 percent from 1983 but the same as 1982. (Cranberries SpCr 1, 8-84).

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OUTLOOK '85 Prospects for the 1985 farm bill will be examined at
CONFERENCE Outlook '85, USDA's 61st annual agricultural outlook
SET FOR DEC. conference. This year's event will take place Dec. 3-5
 in Washington. Sally Michael, World Agricultural Outlook Board
public affairs officer and director of the conference, said the program is
"shorter and tighter than in recent years, designed to enable policymakers to
receive a complete overview of world agriculture in three days."

Preliminary programs and registration materials will be mailed in late September. To receive information, write to: Outlook '85, WAOB/USDA, Room 5143-So., Washington, D.C. 20250 or send a message via Dialcom electronic mailbox AGR072.

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GROWTH IN The world economy could grow at least 4 percent this year,
WORLD following 4 years of under 2 percent. The United States will
ECONOMY lead the industrialized countries.

U.S. agricultural exports may reach \$38 billion in FY 84, up 9 percent from last year. Coarse grain sales will lead the advance, while volume for soybeans and products will be smaller. Agricultural imports are estimated at \$18 billion, up 10 percent. The trade balance will be \$20 billion, up almost 9 percent.

Printed copies of the World Agriculture Outlook and Situation report will be off press in about 3 weeks. For more information, call Cecil Davison on (202) 447-8054. The full report may also be accessed electronically. For more information on this service, call (402) 472-1892. (Outlook and Situation Summary: World Agriculture).

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NEAR RECORD The 1984/85 U.S. wheat marketing year will once again be
WHEAT SUPPLIES shaped by a large crop, near-record supplies, high feed
FORESEEN use, modestly declining exports, and continued low prices.
 Participation in the 1984 USDA acreage adjustment programs is
pegged at 61 percent of base acreage, compared with 76 percent in 1983. Thus,
nearly 21 million acres of wheat cropland will be left idle in 1984 because of
program participation, 8 million less than in 1983.

The harvested acreage for 1984 will be 8 percent larger than 1983's and the forecasted July 1984 wheat crop of 2.52 billion bushels replaces the 1983 crop as the third largest on record. The 1984 production of both hard bread and soft pastry wheat will be about 3 percent larger than a year ago, while pasta wheat (Durum) output will most likely be up over 40 percent.

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This predicted larger 1984 crop will offset decreased old-crop carryover stocks, adding to the prospect that supplies during 1984/85 will be down only modestly from last year's record 3.94 billion bushels. Added to this outlook is the prospect that domestic use may decline slightly and export demand may slip to the lowest level in 5 years. Because total disappearance will most likely be below 1984's production, stocks on May 31, 1985, could build again after a significant drawdown in 1983/84. This situation sets the stage for the 1985 acreage adjustment programs.

Given the supply outlook, farm prices for wheat will most likely be shaped by the buying pattern of major overseas customers and the use of the loan as a producer marketing option. Harvesttime prices are below the loan rate in most areas, indicating 1984/85's national average farm price may be between \$3.25 and \$3.50 a bushel. Since prices through this fall will be below the \$4.38 target price, eligible producers may receive deficiency payments of more than \$1 a bushel. The expectations that 1985's wheat prices may be considerably below the target price should once again encourage strong program participation in 1985. (Wheat, Outlook & Situation Report).

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**WASP ATTACKS
POTATO BEETLE**

A wasp, so small it can stand on a pinhead, is being pitted against the top destroyer of U.S. potatoes, tomatoes and eggplants in a three-year test, a USDA scientist said. The tiny South American wasp is the most promising means yet found for controlling the Colorado potato beetle, said Robert F.W. Schroder, a research entomologist for USDA's Agricultural Research Service.

Efforts to control the potato beetle by conventional chemical means costs growers more than \$120 million yearly, Schroder said. Without control measures, crop losses would approach 100 percent in some areas. Moreover, the pest is developing resistance to all commonly used insecticides, he said.

USDA's research agency is spearheading a pilot project in Maryland, New Jersey, and Virginia, to see if the wasp can reduce beetle populations below crop-damaging levels. Schroder said the project will employ the integrated pest management approach, which combines use of a biological agent, like the wasp, with limited amounts of pesticide applied at crucial points in the beetle's life cycle.

For more details contact Robert F.W. Schroder, research entomologist, Beneficial Insect Introduction Laboratory, USDA, ARS, BARC-East, Bldg. 264, Beltsville, Md. 20705. Telephone: (301) 344-2369.

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for

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